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TO: Appointing Authorities and Personnel Officers
FROM: Guy Krause
SUBJECT: FY 2013 Pay Plan Implementation

This memorandum contains information and instructions for implementing the Fiscal Year 2013 pay plan. While most of the technical work will be automated, this will provide you with information on those processes, and when your agency can begin processing individual employee pay increases not associated with the pay plan (such as end of probation increases).

The fiscal year 2013 pay plan will be effective July 1, 2012. The employee's pay increase will appear on the July 31, 2012 paycheck, for the pay period July 1 – 15, 2012.

For FY2013, through the budgetary process, additional criteria have been put in place for administering the general structure adjustment. Full-time employees making more than \$70,000 per year were not budgeted to receive an increase. Similarly, part-time employees whose rate equates to \$70,000 per year on a full-time basis were not budgeted for an increase. For example, a half-time employee making \$35,000/year would not receive an increase. In addition, general structure increases that would increase an employee's pay above \$70,000/year were not budgeted. That is, an employee should not receive a general structure increase that would result in the employee's July 1st pay exceeding \$70,000 per year. In order to stay within these parameters, some employees will not receive a full 2% increase.

Timing of the General Structure Adjustment

Please keep in mind the General Structure Adjustment should be based on the employee's pay rate as of June 30, 2012. If an agency processes a General Structure Adjustment on the employee's June 1st pay rate, and the employee subsequently receives an increase effective June 16th, the General Structure Adjustment rate (including the 2% increase) would be incorrect. Please make sure, when processing your adjustments, the General Structure Adjustment is based on the employee's June 30, 2012 pay rate.

As a reminder, the sequence for processing transactions is:

1. FY 2013 General Structure Adjustments (SALRY/S09) are processed based on the employee's June 30, 2012 pay rate (automated program except for situations noted below).
2. All other transactions effective July 1, 2012, or after, are processed next.

Here is the sequence of events that will occur:

<u>Date</u>	<u>Action Item</u>
07/01/12	After the FYE process ends, the Office of Administration (OA) Information Technology Services Division (ITSD) will load the new pay grids for table-driven pay, including new pay grids for the Department of Transportation (MoDOT), and Missouri State Highway Patrol (MSHP).
07/07/12	Last day SAM II is up prior to payroll running for the June 16 – June 30 pay period. SAM II Preliminary Gross-to-Net run begins at 6 p.m. At that point, SAM II is down.
07/10/12	<p>Prior to SAM II HR being available, OA ITSD will run the programs automating the 7/1/12 SAM II HR/Payroll Employment Status Maintenance (ESMT) transactions reflecting the General Structure Adjustment increases for eligible employees receiving table-driven pay.</p> <p>OA ITSD builds MoDOT-specific Access database of all employees and provides it to designated MoDOT HR/Payroll contacts. MoDOT will need to indicate, by employee, eligibility for the increase (Y/N), and verify the new salary amount for non-table driven employees. The database needs to be returned to OA ITSD no later than noon on July 16, 2012.</p> <p>OA ITSD builds agency-specific Access databases including the 2% increases for employees whose pay is <u>not</u> table-driven. OA ITSD provides the Access database for non-table driven pay employees to the designated agency HR/Payroll contacts. Agencies should indicate, by employee, eligibility for the increase (Y/N), and verify the new salary amount. The databases need to be returned to OA ITSD no later than noon on July 16, 2012.</p> <p>Upon e-mail notification that SAM II HR is available, agencies may begin processing other 7/1/12 – 7/15/12 personnel actions for <u>table driven</u> pay employees.</p> <p>Agencies may continue with normal timekeeping entries at this time.</p>
07/16/12	<u>Non-table driven</u> Access databases, as well as the MoDOT-specific Access database, are returned to OA ITSD by noon. SAM II HR will be unavailable at 4:00 pm. 2% increases from Access databases are loaded by OA ITSD for <u>non-table driven</u> pay employees, as well as increases for both table and non-table driven MoDOT employees.
07/17/12	Agencies may begin processing other 7/1/12 – 7/15/12 personnel actions for <u>non-table driven</u> pay employees.
07/23/12	Last day SAM II is up prior to payroll running for the July 1 – July 15 pay period. SAM II Preliminary Gross-to-Net run begins at 6 p.m. At that point, SAM II is down.

The General Structure Adjustment is implemented differently for table-driven and non-table driven pay situations. In the SAM II HR/Payroll system employees are either paid from a pay grid ("table-driven"), or not paid from a pay grid ("pay parameters" must be entered on the ESMT).

General Structure Adjustment

Employees Paid from a Pay Grid (Table-Driven Pay)

Table-driven pay means the employee's pay rate is determined from the pay range and step designated on a pay grid. The pay range is determined from the employee's job class, and the pay rate within the range is determined by the step to which the employee is assigned.

Uniform Classification and Pay System employees paid from either Pay Grid A or B will maintain the current step assignment. The value of each step on UCP Pay Grid A has been increased by approximately 2% [(monthly pay rate x 1.02 rounded to the nearest dollar) /2] = new semi-monthly pay rate. The value of steps above \$70,000 per year will not be increased. Similarly, the value of steps on Grid B will not be increased. The Information Technology Services Division will be running a program to automate the salary increase transactions (ESMT's) updating service history records in SAM II HR/Payroll, which will, in turn, update the Data Warehouse. Transactions will include employees in all active Employment Status codes (EMPS_CD = 1,3,6,N or W).

The Employment Status Maintenance (ESMT) transactions will be automated for all agencies paid from SAM II who have table-driven pay situations. It will not be limited to UCP agencies.

Table-driven employees in SAM II HR/Payroll include:

- ❑ UCP System Classified (Merit) and Covered (Non-Merit) employees on pay grids A+B.
- ❑ UCP "Speed up" employees in the Department of Public Safety (MSHP civilian employees) on Pay Grid A.
- ❑ Non-UCP employees of the Legislature, Judiciary, Public Defender's Office, Treasurer's Office and Department of Higher Ed on pay grids H, J, & A.
- ❑ Non-UCP employees of the Department of Public Safety, Missouri State Highway Patrol (MSHP) on pay grids D & E.
- ❑ Non-UCP employees of the Department of Transportation (MoDOT) on pay grid M. MoDOT will be provided with a database of all active employees (Employment Status/EMPS_CD=1) as of June 30, 2012. MoDOT will need to:
 1. Indicate (Y/N Flag) whether or not the employee is eligible for the 2%,
 2. Verify or enter the new pay parameter to designate the 2% increase for non-table driven pay employees.

Other Personnel Actions for the July 1 – 15 pay period cannot be processed for table-driven pay employees until after the automated ESMT's are loaded on July 10, 2012. SAM II HR/Payroll will go down to run the July 1 - 15 payroll on July 23, 2012 at 6 pm.

Upon e-mail notification that SAM II HR is available July 10, agencies may begin processing other 7/1/12 – 7/15/12 personnel actions for table-driven pay employees.

General Structure Adjustment

Employees NOT Paid from a Pay Grid (Pay Parameters are Entered on ESMT)

Non-table driven pay in SAM II means that the employee's actual pay rate amount is entered as a "pay parameter" on the ESMT window. Employees paid in this manner include:

- ❑ UCP System Classified (Merit) and Covered (Non-Merit) Broad banded Managers
- ❑ UCP System Unclassified (Merit) and UCP Exempt (Non-Merit) employees
- ❑ Some Non-UCP employees

For employees who are not paid from a pay grid, the Office of Administration will be providing those agencies that requested one an Access database listing the name and agency/org of each active (EMPS_CD = 1) employee. The database will provide the employee's current salary rate and the adjusted rate (June 30th rate multiplied by 1.02, rounded to the nearest \$.01). The database will include an indicator (Y/N) for each employee to designate eligibility for the increase. Only those employees with a 'Y' indicator will have an ESMT generated, displaying the new pay parameter rate indicated in the database. The database will not include employees on a leave of absence without pay or in any other Employment Status (EMPS_CD) besides 1. Agencies will need to process the General Structure Adjustment for those employees. The amount of the General Structure Adjustment should not exceed 2.0%. Employees making more than \$70,000 per year should not receive an increase. No increase given should raise any employee's salary above \$70,000 per year.

Uniform Classification and Pay System unclassified and exempt positions making less than \$70,000 have been included in the budget to receive the 2% increase or a lesser increase to prevent the adjusted salary from being above \$70,000 per year. However, the appointing authority may exclude or provide a smaller adjustment for part-time hourly and intermittent employees.

The General Structure Adjustment amount should not exceed 2.0% Any increases being granted in excess of 2.0% should be processed on an additional ESMT, using the Personnel Action "SALRY" (Salary Change) and the Personnel Action Reason "S02" (Salary Advancement).

Other Personnel Actions for the July 1 – 15 pay period cannot be processed for non-table driven pay employees until after the database ESMT's are loaded on July 16, 2012. SAM II HR/Payroll will go down to run the July 1 - 15 payroll on July 23, 2012 at 6 pm.

General Structure Adjustment

Executive Pay Plan

Employees in the Executive pay plan whose June 30th salary is less than \$70,000 are to receive the 2% increase or a smaller increase to ensure that the July 1st salary is not above \$70,000, not to exceed the maximum of the assigned salary range for the position. Active employees in these classes will be on the Access database for your agency

Other Personnel Actions for the July 1 – 15 pay period cannot be processed for Executive Pay Plan employees until after the database ESMT's are loaded on July 16, 2012. SAM II HR/Payroll will go down to run the July 1 - 15 payroll on July 23, 2012 at 6 pm.

General Structure Adjustment

Elected Officials, Judges and Administrative Law Judges

The six elected officials and the members of the General Assembly should not receive an increase.

Judges and the Administrative Law Judges within the Department of Labor and Industrial Relations, Division of Workers' Compensation (linked to the compensation of an associate division circuit judge under RSMo, 287.615 1.) should receive increases recommended by the Missouri Citizens' Commission on Compensation for Elected Officials. These employees will be included in the Access Database.

General Structure Adjustment

Special Pay Situation

Some employees are paid in a manner requiring particularly close attention. For employees that fall into the following category, questions about processing the Position Status Maintenance Transactions (PSMT's) should be directed to the Employee Services Section of the Division of Personnel at 522-1263. Questions about processing the Employee Status Maintenance Transactions (ESMT's) should be directed to the Pay, Leave and Reporting Section of the Division of Personnel at 751-1663.

- UCP System Covered, non-management employees in the Office of the Adjutant General of the Department of Public Safety. These employees are not table-driven, to accommodate a special tax-processing situation. These employees require two pay parameter entries. The agency must determine the pay parameter amounts based on the employee's pay rate after the 2.0% increase has been added. **ESMT's for these employees must be processed manually by the agency.** These employees will appear on the Access database for non-table-driven pay. However, due to the two pay parameter entries, their pay rates will need to be updated manually in SAM II. The "Change Flag" should be designated as "N" since the ESMT needs to be processed manually.

The General Structure Adjustment database for non-table driven employees will be provided to your agency on July 10, 2012. Please review the database and indicate eligibility of your employees to receive the adjustment using the indicator (Y/N).

The database is to be returned to the Office of Administration, Information Technology Services Division by noon July 16, 2012. The database will be loaded into SAM II HR/Payroll on July 16, 2012.

Other Personnel Actions for the July 1 – 15 pay period cannot be processed until after the database ESMT's are loaded. SAM II HR/Payroll will go down to run the July 1 - 15 payroll on July 23, 2012 at 6 pm.

Other Salary Increases Effective July 1, 2012

All other salary increases (those with regular status, reclassifications, and other discretionary within-grade salary advancements) or any other transactions should be processed after the General Structure Adjustment increases have been processed. Manual ESMT's may be generated on table-driven employees after the automated table-driven pay ESMT's are loaded into SAM II HR/Payroll on July 10, 2012. Manual ESMT's may be generated on non-table driven employees after the automated non-table driven pay ESMT's are loaded into SAM II HR/Payroll on July 16, 2012.